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UNITED STATES DEPARTMENT OF AGRICULTURE
Rural Electrification Administration
Washington 25, D. C.

June 8, 1948

ANNOUNCEMENT

To: All REA Personnel

Subject: Establishment of a Power Division in REA

Power problems in the rural electrification program have become so complex in the areas of power procurement, rising power costs, design and construction of generation and transmission facilities and the management, operation and maintenance of such facilities, that the closest coordination of REA's power activities is required to provide borrowers with adequate advice and assistance on these matters. Because of this need for close coordination of power activities it has become desirable and necessary to establish a new Power Division, the functions of which are as follows:

Within the scope of REA programs, policies and procedures is responsible for formulating plans and programs concerning all aspects of power supply, including both purchased and generated energy. Responsible for advice and assistance to borrowers on the design and construction of generation, transmission systems and related facilities. Responsible for technical studies and planning on generation and transmission problems. Responsible for advice, assistance and recommendations with respect to purchase of power, wholesale rates, and power contract negotiations; also advice and assistance on engineering phases of operation of borrowers' generation and transmission systems. Responsible for general management advice and assistance with respect to central generation and transmission systems. Responsible for advice and assistance in the operation and maintenance of all generating plants and transmission systems.

This Division shall consist of the following Sections:

1. Power Procurement Section which will be responsible for matters relating to power sources and procurement of purchased energy; review of and recommendations on proposed wholesale rate and power contracts; relations with officials of other Government power agencies, State regulatory bodies, public service commissions, borrowers' personnel and power suppliers on matters of power purchase, substation locations, wholesale rates and power contracts; and special wholesale rate studies.

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2. Generation and Transmission Design and Construction Section which will be responsible for advice and assistance to REA borrowers in the design and construction of generating plants and transmission facilities, and technical studies on generation and transmission problems.
3. Generation and Transmission Management Section which will be responsible for REA activities pertaining to advice and assistance in the general management of central generation and transmission systems and for advice and assistance in the operation and maintenance of generating plants (both federated and non-federated) and transmission systems.

The following functions, including personnel and facilities as designated, are transferred to the Power Division:

1. Activities of the Management Division relating to power sources, the procurement of purchased energy and wholesale power contracts are transferred to the Power Procurement Section, Power Division.
2. Activities of the Engineering Division relating to the design and construction of generating plants and transmission facilities are transferred to the Generation and Transmission Design and Construction Section, Power Division.
3. Activities of the Engineering Division relating to the general management of central generating and transmission systems, the operation and maintenance of generating plants (both federated and non-federated) and transmission systems are transferred to the Generation and Transmission Management Section, Power Division.

Mr. James B. McCurley has been designated Chief, Power Division.

Mr. John M. Duncan has been designated Assistant Chief, Power Division.

Administrator

Claude R. Wickard

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